AMENDED GAMING COMPACT

This Amended Gaming Compact is made and entered into as of the 26th day of October, 2012 by and between the "Sisseton-Wahpeton Oyate of the Lake Traverse Reservation", hereinafter Sisseton-Wahpeton Oyate or Tribe, and the State of South Dakota, hereinafter State

WHEREAS, the Tribe is a federally recognized Indian Tribe in northeastern South Dakota; and

WHEREAS, the Constitution of the Tribe provides for adequate authority for negotiations and agreements with state government; and

WHEREAS, the State through constitutional provisions, legislative acts, and regulations, authorized limited gaming activities to be conducted in Deadwood, South Dakota; and

WHEREAS, the Congress of the United States has enacted the Indian Gaming Regulatory Act, Public Law 100-497, 102 Stat. 2426, 25 U.S.C. § 2701, et seq. (1988) ("IGRA"), which requires Indian tribes to operate Class III gaming activities in "Indian country" pursuant to a Tribal-State Compact entered into for that purpose; and

WHEREAS, the Tribe operates gaming activities in accordance with a Tribal/State Gaming Compact originally entered into on April 1, 1991 and thereafter amended; and

WHEREAS, the Tribe intends to continue to operate slot machines and other gaming at locations specifically identified within this Amended Compact (hereinafter Compact); and

WHEREAS, the Tribe and the State desire to negotiate a Tribal-State Compact to permit the continued operation of such slot machines and other gaming; and

NOW, THEREFORE, in consideration of the foregoing, the Tribe and the State hereby do promise, covenant, and agree as follows:

1. Declaration of Policy

In the spirit of cooperation, the Tribe and the State hereby set forth in joint effort to implement the terms of the Indian Gaming Regulatory Act. The State recognizes the positive economic benefits that continued gaming may provide to the Tribe. The Tribe and the State recognize the need to ensure that the health, safety and welfare of the public and the integrity of the gaming industry in Indian Country and in South Dakota is protected.

2. Purpose and Scope of Compact

This Compact and the Tribe's gaming regulations and ordinances shall govern the regulation and operation of Class III blackjack, slot machines, and pari-mutuel wagering on horses and dogs conducted at the gaming establishments identified in paragraph 8.5. The purpose of this Compact is to provide the Tribe with the opportunity to operate slot machines and other gaming activities in a manner that will benefit the Tribe economically, that will ensure fair operation of the games, and that will minimize the possibility of corruption.

3. Type of Gaming Permitted

3.1 The Tribe shall operate slot machines pursuant to the terms of this Compact and the Tribe's gaming regulations and ordinances.

For the purposes of this Compact, the term "slot machines" is defined in South Dakota Codified Laws 42-7B-4 (21), except that the term "slot machines" does not include "video lottery machines" as defined by SDCL 42-7A-1 (18).

Slot machines operated by the Tribe pursuant to this Compact may be linked or connected by means of telecommunications, satellite or technologic or computer enhancement to slot machines or video lottery machines operated by another tribe or tribes on "Indian lands" (as that term is currently defined in the IGRA, 25 U.S.C. § 2703(4)) pursuant to the terms of a tribal/state compact approved by the Secretary of the Interior pursuant to 25 U.S.C. § 2710, authorizing such other tribe or tribes to similarly operate slot machines or video

lottery machines through linkages or connections with the slot machines or video lottery machines operated by other tribes.

3.2 The Tribe shall operate pari-mutuel wagering on horses and dogs pursuant to the terms of this Compact and the Tribe's gaming regulations and ordinances. The Tribe may operate pari-mutuel wagering on horse and dog races occurring within or without the United States at the tribal gaming establishments identified in Section 8.5.

3.3 The Tribe shall be allowed to operate an unlimited number of tables of Class III blackjack at Dakota Connection as may be authorized by state law. If Dakota Sioux Casino offers blackjack tables with a wager exceeding $100.00, then those tables shall be considered Class III games subject to this Compact and the Tribe shall be allowed to operate an unlimited number of tables of Class III blackjack at Dakota Sioux Casino.

3.4 The Tribe shall be permitted to operate such other gaming as may be authorized by state law, upon written amendment of this Compact.

4. Operation of Slot Machines and Pari-Mutuel Wagering on Horses and Dogs

4.1 The Tribe shall operate its slot machine gaming activities pursuant to this Compact and the ordinances and regulations enacted by the Tribe which ordinances and regulations shall be at least as stringent as those adopted by the State of South Dakota in SDCL 42-7B and ARSD 20:18, et seq. All such ordinances and regulations shall be made available to the State.

4.2 The Tribe shall operate its pari-mutuel wagering on horses and dogs gaming activities pursuant to this Compact and the ordinances and regulations enacted by the Tribe, which ordinances and regulations shall be at least as stringent as those adopted by the State of South Dakota in SDCL Chapter 42-7- and ARSD 20:04:15, et seq., and 20:04:15:01, et seq., for greyhound racing and in SDCL Chapter 42-7- and ARSD 20:04:30, et seq. for horse racing.

In consideration for the limited right of conducting pari-mutuel wagering with the use of private-side runners, the Tribe will voluntarily donate an equal share of twenty-five percent (25%) of its net revenue from the described wagering to all K-12 public schools located within the original boundaries of the Lake Traverse

Reservation as described in Article III of the Treaty of February 19, 1867. The initial donation to each of the schools will occur one (1) year from the publication date in the Federal Register and annually thereafter. In the event the Tribe ceases pari-mutuel wagering with the use of private-side runners, the Tribe shall notify the State in writing and payment to the described educational facilities will no longer occur.

4.3 The Tribe shall appoint a Tribal Gaming Commission which shall supervise the gaming activities, issue licenses as provided herein, inspect all premises where gaming is conducted and otherwise be responsible for enforcing the Tribe's gaming ordinances and regulations.

The Sisseton-Wahpeton Oyate's Gaming Commission shall have primary responsibility for the supervision and regulation of gaming conducted under the authority of this Compact. This shall include, but not be limited to, the licensing of gaming employees and the inspection and regulation of all slot machines and pari-mutuel operations. Any discrepancies in the gaming operation and any violation of the Tribal Gaming Commission regulations and rules of this Compact shall be immediately reported to the Tribal Gaming Commission and the South Dakota Commission on Gaming for appropriate action by the Tribal Gaming Commission pursuant to the terms of this Compact.

4.4 <u>Disciplinary Action for Misconduct by Licensees</u>

Any suspected violation of any law or rule, adopted in or pursuant to this Compact, shall be reported to the Tribal Gaming Commission and the South Dakota Commission on Gaming. If either the State or the Tribe concludes that a violation has occurred, the violation will be addressed by the Tribe within five (5) days. The Tribal Gaming Commission shall report any disciplinary action it imposes upon a licensee to the Executive Secretary of the South Dakota Commission on Gaming within ten (10) days of the imposition of the action.

5. Criminal Jurisdiction

5.1 All criminal matters arising from or related to Class III gaming shall be dealt with according to applicable Tribal, State, or Federal law. Nothing in this compact shall deprive the Courts of the Tribe, the United States, or the State of South Dakota of such criminal jurisdiction as each may enjoy under applicable law.

5.2 The Tribe has adopted and agrees to adopt gaming ordinances and regulations to regulate gaming in the gaming establishments identified in paragraph 8.5, which ordinances and regulations are at least as stringent as those statutes and administrative rules adopted by the State of South Dakota to regulate gambling in Deadwood, South Dakota, and to regulate pari-mutuel wagering on horses and dogs. The Tribe shall furnish the State with copies of such ordinances and regulations and shall advise the State of any amendment, revision or rescission of the gaming regulations. The State shall furnish the Tribe with any amendment, revision, or rescission of its gaming regulations. The Tribe agrees that in no event shall it amend, revise or rescind any gaming regulations which would result in the tribal regulations being less stringent than the statutes and rules adopted by the State of South Dakota.

6. Civil Jurisdiction

6.1 All civil matters arising from or related to Class III gaming shall be dealt with according to applicable Tribal, State, or Federal law. Nothing in this compact shall deprive the Courts of the Tribe, the United States, or the State of South Dakota of such civil jurisdiction as each may enjoy under applicable law. Nothing in this provision shall be construed to be a waiver of the sovereign immunity of the Sisseton-Wahpeton Oyate.

7. Licensing of Gaming Operators and Employees

All individuals who operate or manage a gaming operation under the authority of this Compact shall be licensed by the Tribal Gaming Commission. All individuals employed to work directly with the gaming operation shall be licensed by the Commission.

The Sisseton-Wahpeton Oyate Gaming Commission shall have primary responsibility for the licensing of individuals who operate or manage a gaming operation or who are employed in the tribal gaming operation. Any person seeking to be licensed hereunder shall first submit an application to the Tribal Commission which application shall include a written release by the applicant authorizing the State to conduct a background investigation of the Applicant on behalf of the Tribal Gaming Commission. The State shall agree to conduct an investigation of the applicant on behalf of the Commission, upon receipt of the executed release and payment of the fee as provided in the South Dakota Commission on Gaming rules and regulations for such investigations. The State shall provide the Commission with a written report regarding each applicant within 30 days of the receipt of the request and fee or as soon thereafter as practical.

The Commission shall not issue a license to any unsuitable applicant. A suitable applicant is one who is determined suitable by the Tribal Gaming Commission according to tribal ordinance and by the South Dakota Commission on Gaming pursuant to SDCL ch. 42-7B and the South Dakota Gaming Commission rules and regulations, provided that no credit check will be conducted for tribal license applicants and no applicant shall be deemed unsuitable because of issues pertaining to credit. It is understood by the parties that credit checks are conducted on applicants for a license issued by the South Dakota Commission on Gaming for employment in gaming establishments in Deadwood, South Dakota.
Because each licensee must, in any case, be relicensed annually, the State agrees not to require additional relicensing of any person to operate, manage or be employed in any gaming operation conducted under the authority of this Compact, provided that the person has obtained the applicable license to operate, manage or be employed in any gaming operation in Deadwood, South Dakota, or has obtained the applicable license to operate, manage or be employed in any pari-mutuel gaming operation conducted pursuant to the laws and regulations of the State of South Dakota or any such gaming operations conducted under the authority of a compact between the State of South Dakota and any Indian tribe.

Should the Tribal Gaming Commission disagree with the State's determination on suitability, the Tribal Gaming Commission may invoke the following arbitration procedure:

The dispute shall be determined by a three-person binding Arbitration Board. One member of the Board shall be the chair of the South Dakota Commission on Gaming or his designee. One member of the Board shall be the chair of the Tribal Gaming Commission or his designee. The third member of the Board shall be jointly selected by the two commission chairs or their designees and shall be a person who is knowledgeable in the regulation of gaming. The third member of the Board shall be compensated at the rate set by state law for members of the South Dakota Commission on Gaming for attendance at meetings of the Board. The State and the Tribe shall each pay the third member one half the compensation due. The Arbitration Board shall determine whether the applicant is deemed suitable, taking into consideration the ordinance and regulations adopted by the Tribal Gaming Commission and the statutes and rules adopted by the State of South Dakota. The Arbitration Board shall further decide the suitability issue in the best interest of the public. An arbitration shall be initiated by the filing by the Sisseton-Wahpeton Oyate of a Notice in the office of the Sisseton-Wahpeton Oyate's Gaming Commission and in the office of the South Dakota Commission on Gaming. Within a reasonable time, not to exceed 45 days, the Arbitration Board shall hold a hearing. The parties shall be the Sisseton-Wahpeton Oyate and the State. Generally the hearing shall not exceed one day.

Irrelevant, incompetent, immaterial, or unduly repetitious evidence shall be excluded. The rules of evidence as applied in the trial of civil cases in the circuit courts of South Dakota shall be followed except that, when necessary to ascertain facts not reasonably susceptible of proof under such rules, evidence not otherwise admissible may be admitted if it is of a type commonly relied upon by reasonably prudent persons in the conduct of their affairs. Rules of privilege shall be given effect. When a hearing may be expedited and the interests of the parties will not be substantially prejudiced, any part of the evidence may be received in written form. A party may conduct cross-examinations. Notice may be taken of judicially cognizable facts. Parties at the hearing will be informed of the matters to be noticed, and those matters will be noted in the record, referred to therein, or appended thereto. Any party shall be given a reasonable opportunity, on timely request, to refute officially noticed matters by evidence or by written or oral presentation, the manner of and time allowed for such refutation to be determined by the Arbitration Board.

For good cause shown, the Board may schedule additional hearings within a reasonable time of the initial hearing. The Board may require briefing of any matter relevant to the exercise of its authority.

Any party desiring a record of the proceeding may arrange for the presence of a court reporter. The arbitration proceeding shall be open to the public, unless a party requests, and the Board finds, that it is in the public interest that the arbitration proceed as a closed session.

In the alternative to holding a hearing, the parties may stipulate that the Arbitration Board may determine the matter solely on the basis of documents filed with the Board.

Upon completion of the arbitration proceeding the Board shall issue a written decision that includes findings and conclusions. The written decision shall be made available to the public upon request, unless the Board determines that, in the particular circumstances, the personal privacy interest of the applicant outweighs the public interest in disclosure.

The decision of the Arbitration Board shall be final and non-reviewable.

8. Regulatory Standards for Gaming

In recognition of the valid public policy interests of the State, which are similarly appreciated as desirable by the Tribe, the following regulatory standards are established for gaming operated and played within the gaming establishments identified in paragraph 8.5.

8.1 No Credit Extended

All gaming shall be conducted on a cash basis. Except as herein provided, no person shall be extended credit for gaming by the gaming facilities operated under this compact, and no operation shall permit any person or organization to offer such credit for a fee. This restriction shall not apply to credits won by players who activate play on gaming machines after inserting tokens, tickets, coins or currency into the game and shall not restrict the right of the Tribe or any other person to offer check cashing or to install or accept bank card or credit card transactions in the same manner.

8.2 Minimum Age for Players

Any participant in a game authorized by this Compact shall be twenty-one (21) years of age or older at the time of participation. No licensee may permit any person who is less than twenty-one (21) years of age to participate in a game or play a slot machine authorized by this Compact. A violation of this provision shall subject the participant or licensee to punishment under applicable Tribal or State law.

8.3 Technical Standards for Slot Machines

All slot machines operated and played within the establishments identified in paragraph 8.5 pursuant to this Compact shall meet or exceed the hardware and software specifications set forth by the South Dakota Gaming Commission and SDCL 42-7B-43 and ARSD 20:18 prior to play. Slot machines prototypes will be tested and approved prior to play by the State according to State procedures.

8.4 Approval of Slot Machines

No slot machines shall be operated in the gaming operations identified in paragraph 8.5 unless:

1) The slot machine is purchased, leased or acquired from a manufacturer or distributor licensed to sell, lease or distribute slot machines by the State, pursuant to SDCL ch. 42-7B and ARSD 20:18, and

2) The slot machine or a prototype thereof, has been tested, approved and certified by a gaming test laboratory as meeting the requirements and standards of this Compact. For purposes of this Compact a gaming test laboratory shall be a laboratory agreed to and designated in writing by the South Dakota Commission on Gaming and the Tribal Gaming Commission.

8.5 Number of Slot Machines

The Tribe shall be permitted to operate slot machines under this compact in the tribal gaming establishments located at Dakota Sioux

Casino, a facility five miles north of Watertown on Sioux Conifer Road, and at Dakota Connection Casino, a facility located two miles east of Sisseton on Highway 10. The Tribe is authorized to immediately operate a cumulative total of seven hundred and fifty (750) slot machines upon the effective date of this Compact, which is subject to an annual increase beginning on January 1, 2018, in accordance with the terms of this Compact.

The Tribe shall be allowed to increase the cumulative total number of slot machines according to the following schedule:

- An additional 20 slot machines after January 1, 2018, for a cumulative total of 770;
- An additional 20 slot machines after January 1, 2019, for a cumulative total of 790;
- An additional 20 slot machines after January 1, 2020, for a cumulative total of 810;
- An additional 20 slot machines after January 1, 2021, for a cumulative total of 830;
- An additional 20 slot machines after January 1, 2022, for a cumulative total of 850.

The Tribe shall be entitled to have up to ten (10) machines to be used to replace slot machines, which are out of service as a result of mechanical problems. These additional slot machines are only to be used in such an event and shall not be operated in addition to the maximum number of slot machines authorized by this provision. Further, these additional slot machines shall meet the requirements of paragraph 8.3 of this Compact. There shall be no limits placed on the number of blackjack tables that may be operated at Dakota Connection Casino or Dakota Sioux Casino.

8.6 Slot Machine Inspection Procedure

The South Dakota Commission on Gaming agents shall be authorized to inspect (not to include audits) the slot machines operated in the tribal gaming establishments in accordance with the laws and rules adopted in this Compact.

Any periodic inspection of slot machines shall only occur if the state inspector is accompanied by a member of the Tribal Gaming Commission, or a designee. Any such testing shall be carried out in a manner and at a time which will cause minimal disruption of the gaming operation. The Tribal Gaming Commission and the South Dakota Commission on Gaming shall be notified of all such testing and the results of such testing.

8.7 Remedies to Non-Complying Slot Machines

Upon inspection pursuant to paragraph 8.6, the State may designate slot machines which it believes do not comply with tribal gaming laws. The machines shall immediately be removed temporarily from play or sealed. Within five days of receipt of such written designation, the Tribe shall either:

1) accept the finding of noncompliance, remove such slot machines from play, and take appropriate action to ensure that the Tribe, manufacturer, distributor or other responsible party cures the problem; or

2) contest the finding of noncompliance before the Arbitration Board as provided in paragraph 7 above. In the event the Arbitration Board finds that the slot machine is noncomplying, such slot machine shall be removed from play. Slot machines removed from play pursuant to this section may be returned to play only after such slot machine comes into compliance with the provisions of 8.4 herein.

Nothing in this section shall limit the rights or remedies available to the parties under any other provision of this Compact or under the IGRA.

8.8 Approval and Inspection of Pari-Mutuel Wagering Equipment

All equipment used by the Tribe, including electrical or mechanical tote board devices, in conducting pari-mutuel wagering shall be of a type and meet the standards for size and information display set forth by the South Dakota Commission on Gaming.

The South Dakota Commission on Gaming agents shall be authorized to inspect (not to include audits) the equipment used by the Tribe in conducting pari-mutuel wagering to determine that it is in accordance with the laws and rules adopted in this Compact.

Any periodic inspection of pari-mutuel wagering equipment shall only occur if the state inspector is accompanied by a member of the Tribal Gaming Commission, or a designee. Any such inspection shall be carried out in a manner and at a time which will cause minimal disruption of the gaming operation. The Tribal Gaming Commission and the South Dakota Commission on Gaming shall be notified of all such inspections and the results of such inspections. If the results of any such inspection reveal that the equipment fails to meet applicable standards, the Tribe will not use such equipment until the equipment meets the applicable standards.

8.9 Limit on Wagers

The amount of a bet in any slot machine or any Class III blackjack game may not be more than one thousand dollars on the initial bet or subsequent bet subject to rules promulgated by the Tribal Gaming Commission. Slot machines operated in the establishments identified in 8.5 and Class III blackjack games at Dakota Connection Casino and Dakota Sioux Casino may in the future offer such higher bet limits which are consistent with South Dakota statute and regulation and which are authorized by the Tribal Gaming Commission.

There shall be no wager limitation on pari-mutuel wagers placed on horse and dog races authorized under this Compact.

9. Accounting and Audit Procedures

The Tribe shall adopt accounting standards which meet or exceed those standards established in Chapter 20:18:22 of the South Dakota Rules and Regulations for Limited Gaming.

The Tribe shall conduct independent audits of the gaming operation and provide copies to the State. At the request of the Tribe and at the Tribe's expense, the State may in its discretion audit the tribal operation.

The Tribe shall engage an independent certified public accountant to audit the books and records of all gaming operations conducted pursuant to this Compact and shall make copies of the audit and all current internal accounting and audit procedures available to the State upon written request. The Tribe shall permit the State to consult with the auditors before or after any audits or periodic checks on procedures which may be conducted by the auditors, and shall allow the State to submit written or oral comments or suggestions for improvements regarding the accounting and audit procedures. Within 30 days of receipt of any written or oral comments, the Tribe shall:

(a) accept the comments and modify the procedures accordingly; or
(b) respond to the comments with counterproposals or amendments.

10. Duration

This Amended Compact shall become effective upon execution by the Governor of the State and the Chairman of the Tribe, approval by the Secretary of the Interior and publication of that approval in the Federal Register pursuant to the IGRA.

The terms of this Compact shall be subject to review at ten (10) year intervals dating from the date of execution of this Compact. Prior to the expiration of the ten (10) year period, each party to the Compact may give notice to the other party of provisions it believes require review or amendment. Such notice shall be in writing and shall be sent by certified mail to the Governor of the State or Chairman of the Tribe at the appropriate governmental office. If no notice is given by either party prior to the expiration of the ten (10) year period, or any subsequent ten (10) year period, the Compact shall automatically be extended for an additional ten (10) years. If, in the notice, a party states that termination of this Compact should not result from any failure of the parties to reach agreement with respect to changes in the provisions noticed for review or amendment, the Compact shall also automatically be extended for an additional ten (10) years.

Upon receipt of such notice, the parties shall engage in good faith efforts to resolve the issues identified in the notice.

Except as otherwise provided in the second paragraph of this section, in the event the parties are unable to resolve the issues identified in the notice upon expiration of the ten (10) year period or any subsequent ten (10) year period, this Compact, unless earlier terminated by agreement of the parties, shall remain in effect for 180 days thereafter. The parties shall have until the expiration of the 180 days to continue to negotiate and remedies available under the Indian Gaming Regulatory Act shall apply. The State and the Tribe may agree in writing to extend the negotiating period without prejudice to the rights of either party.

Upon the expiration of the negotiating period, or any extension thereof, the Compact shall terminate unless the parties, in writing, agree otherwise.

Either party may terminate this Compact upon a substantial breach by the other party regardless of any other provision of this Compact. Upon identification of what either party believes to be a substantial breach of the terms of this Compact, such party shall notify the other party in writing, via certified mail, return receipt requested, as to the nature of the substantial breach. The complaining party may terminate this Compact in writing after at least 30 days have elapsed from receipt of the notice of noncompliance by the other party, unless the breach has been remedied and the cause of the breach has been dealt with in a manner acceptable to the complaining party or unless the responding party has presented a plan to deal with the breach which is acceptable to the complaining party.

Notwithstanding any other provision of this Compact including the paragraph immediately above, it is agreed between the parties that on the day that it becomes illegal as a matter of South Dakota law to operate slot machines or Class III blackjack or to conduct pari-mutuel wagering on horses and dogs, as the case may be, within the State of South Dakota, this Compact shall expire and be of no further force with respect to the illegal gaming activity.

11. Personal Injury Remedy For Patrons

During the term of this Compact, the Tribe shall maintain and enforce a Tort Claims Ordinance that provides: (1) the Tribe shall obtain and maintain public liability insurance insuring the Tribe's Class III gaming operation in South Dakota, and their agents and employees, against claims by visitors of the gaming facility for bodily injury or property damage arising out of the

operation of the gaming facility; (2) such insurance coverage shall provide coverage of no less than $1 million per person and $1 million per occurrence; (3) a limited waiver of the Tribe's sovereign immunity within the scope of coverage and the in force policy limits of the insurance coverage, which specifies that the Tribe agrees that it will not assert the defense of sovereign immunity in Tribal Court for any claim within the scope of coverage and the in force policy limits of the insurance; and (4) any insurance policy expressly prohibits the insurer from asserting or attempting to assert the defense of sovereign immunity. The Tribe shall at all times provide the State with the current version of the insurance policy, the current certificate of coverage, and its Tort Claims Ordinance. The Tribe shall provide the State with notice of any changes to its Tort Claims Ordinance, any changes to the public liability insurance coverage, including a lapse in coverage or a failure to renew, and the Tribe understands and agrees that any future amendments shall comply with this section of the Compact.

12. Memorandum of Agreements with Coddington and Roberts Counties for Police, Fire, Ambulance and Road Services

The Tribe and the State recognize that the immediate increase in slot machines from 250 to 750 will result in a significant expansion of the gaming facilities authorized under this Compact. The Tribe has maintained a Memorandum of Agreement ("MOA") with Codington County for several years to receive police, fire, ambulance and road services (hereinafter "governmental services") for its gaming operations at Dakota Sioux Casino. The Tribe desires to continue this MOA with Codington County and to enter into a MOA with Roberts County for its gaming operation at Dakota Connection Casino. The State shares the Tribe's interest to ensure that the expanded gaming facilities receive these governmental services and that the two affected Counties receive the appropriate compensation in return for providing these requested government services.

The MOA for governmental services will assist the Tribe in meeting its obligations to ensure that its gaming operations are constructed, operated, and maintained in a manner that adequately protects the environment, public health, and safety.

The parties also acknowledge that the expansion of the Tribe's gaming operations will result in increased demands on certain operations of government in Codington and Roberts Counties, which are located outside

of Indian country, but near the Tribe's gaming operations. These increased governmental demands may include highway infrastructure, road maintenance, law enforcement, fire and ambulance services, and costs associated with the judicial system. The Tribe recognizes that the Counties' governmental services, especially well constructed and maintained roads in the vicinity of the tribal gaming operations, will help promote the economic development of those facilities.

For these reasons, the Tribe agrees that it will enter into MOAs with the county governments in those counties in which the tribal gaming facilities are located.

The Tribe will enter into Memorandums of Agreement with the Boards of County Commissioners of Roberts County and Codington County according to the following terms:

12.1 The maximum total amounts the Tribe will contribute to the counties to pay for government services will be as follows:

- In calendar year 2013, one hundred fifty thousand dollars ($150,000.00); $112,500.00 to Codington County and $37,500.00 to Roberts County;
- In calendar years 2014, 2015, and 2016, two hundred thousand dollars ($200,000.00) per calendar year; $150,000.00 to Codington County and $50,000.00 to Roberts County;
- In calendar years 2017 and 2018, three hundred thousand dollars ($300,000.00) per calendar year; $225,000.00 to Codington County and $75,000.00 to Roberts County; and
- In calendar years 2019, 2020, 2021, and 2022 four hundred thousand dollars ($400,000.00) per calendar year; $300,000.00 to Codington County and $100,000.00 to Roberts County.

The parties understand and agree that the amounts listed above are exact numbers and that the Tribe must not pay more, nor less, than the amounts listed above.

12.2 The parties acknowledge that they may be mistaken about the effects of the Tribe's expansion of gaming; for example, the substantial increase in slot machines may not result in increased patronage and therefore the need for additional governmental services may not be as

great as envisioned. The parties accordingly agree that the total amount of payments pursuant to the MOA's should not increase if the gaming revenues at the Dakota Sioux Casino and the Dakota Connection Casino do not equal or exceed the total gaming revenues from those facilities from the prior fiscal year. Therefore, in the event that gaming revenues at the Dakota Sioux Casino and the Dakota Connection Casino do not equal or exceed the total gaming revenues from those facilities from the prior fiscal year, the Tribe shall pay the same total amount to the counties as it paid the preceding calendar year. For purposes of this section the phrase "gaming revenues" is defined as the net win from gaming activities which is the difference between gaming wins and losses, less gaming incentives. The term "fiscal year" is defined as the 12 month period beginning on October 1 of each year and ending on the following September 30.

12.3 The maximum contributed amounts listed above for both MOA's shall be distributed to the counties in the following proportions:

- Twenty-five percent (25%) of the total each year shall be paid to Roberts County.
- Seventy-five percent (75%) of the total each year shall be paid to Codington County.

These allocations are based upon the increased need for government services provided to the Tribe by the county governments. The tribal gaming operation in Codington County (Dakota Sioux Casino) is expected to expand in a greater capacity than the tribal gaming operation in Roberts County (Dakota Connection Casino). Additionally, this allocation is justified by the difference in population of each county, which is generally related to patronage at the Tribe's gaming operations.

12.4 At least one-third of the maximum amounts listed above for both MOA's are to be maintained and utilized by each county in a fund to be used for construction, repair, and maintenance, including snow removal, of county roads and highways within five (5) miles of the tribal gaming facilities authorized by this Compact.

12.5 Each county has discretion over when and where to use the road funds. The Tribe may request in the MOA that each county meet

annually with the Tribe to coordinate provision of government services under the MOA, including funding for roads, to the Tribe.

12.6 The Tribe may request in the MOA that each county provide an annual written report to the Tribe describing the county's provision of the requested government services during the previous year.

12.7 The parties understand and agree an example MOA is attached as Exhibit A and incorporated in this Compact by reference. The MOA's shall be worded substantially the same as shown in the example MOA.

13. General Provisions

The following conditions shall be applicable throughout the term of this Agreement:

13.1 The parties hereto agree that in the event that a dispute arises as to an interpretation of the provisions of this Compact, in any of the rights, responsibilities or obligations attaching to the parties hereto, either party may commence an action in federal district court for the purpose of resolving such dispute.

13.2 The parties hereto agree that the Tribe shall be responsible for the costs incurred by the State and associated with the State's performance of its responsibilities as provided for herein. The intent of this Compact is to provide for the reimbursement for the costs and expenses of the State in performing its responsibilities as provided herein. The parties agree that this provision does not require payment by the Tribe of court costs or attorney's fees in litigation. The parties also agree that this provision does not require payment by the Tribe of costs incurred by the State of South Dakota for law enforcement officers of the State except that such payment is required with regard to costs incurred for law enforcement officers of the State who are agents and employees of the South Dakota Commission on Gaming.

The hourly rate to be paid to the State for its services pursuant to this Compact is fifty dollars ($50.00). Travel, per diem, and other expenses shall be paid to the State at the rates set out in South Dakota Administrative Rules, ARSD 05:01:02. Should the rates set out in the

Administrative Rules be changed during the term of this Compact, or during the term of any renewal of this Compact the rates to be paid to State shall likewise be altered.

13.3 Unless otherwise indicated differently, all notices, payments, requests, reports, information or demand which any party hereto may desire or may be required to give to the other party hereto, shall be in writing and shall be personally delivered or sent by telegram or first class certified or registered United States mail, postage prepaid, return receipt requested, and sent to the other party at its address appearing below or such other address as any party shall hereinafter inform the other party hereto by written notice given as aforesaid:

Notice to the Tribe shall be sent to:

Chairman's Office
Sisseton-Wahpeton Oyate
Box 509
Agency Village, SD 57262

Notice to the State shall be sent to:

Governor's Office
500 East Capitol
Pierre, SD 57501

All notices, payments, requests, reports, information or demand so given shall be deemed effective upon receipt or if mailed, upon receipt or the expiration of the third day following the day of mailing, whichever occurs first, except that any notice of change of address shall be effective only upon receipt by the party to whom said notice is addressed.

13.4 This Agreement is the entire Agreement between the parties and supersedes all prior agreements whether written or oral, with respect to the subject matter hereof. Neither this Agreement nor any provision herein may be changed, waived, discharged or terminated, orally, but only by an instrument in writing.

13.5 This Agreement may be executed by the parties hereto in any number of separate counterparts with the same effect as if the signatures hereto and hereby were upon the same instrument. All such counterparts shall together constitute but one and the same documents.

13.6 The State and/or Tribe may not assign any of its respective right, title, or interest in this agreement, nor may the State and/or Tribe delegate any of its respective obligations and duties under this Agreement, except as expressly provided herein. Any attempted assignment or delegation in contravention of the foregoing shall be null and void.

13.7 Nothing in this Compact shall be construed to limit the rights or remedies available to the parties hereto under the Indian Gaming Regulatory Act.

13.8 This Compact shall not be construed to waive or diminish the sovereignty of the Sisseton-Wahpeton Sioux Tribe or the State of South Dakota, except as specifically provided by the terms of the Compact set forth above. The Sisseton-Wahpeton Oyate has informed the State that it has adopted the name "Sisseton-Wahpeton Oyate of the Lake Traverse Reservation." The use of the term "Reservation" in the name of the Oyate or otherwise shall not be construed to waive any argument relating to the legal status of any area under 18 USC 1151(a) or any other federal law.

13.9 This Agreement may be amended or modified in writing at any time subject to any federal approval of such amendment or modification required by the IGRA.

13.10 The Tribe hereto agrees that none of the funds generated by gaming conducted under this Compact shall be used by the Tribe or its agents to influence the outcome of any local, state, or federal election conducted within the State of South Dakota.

WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

SISSETON-WAHPETON OYATE

11-5-12
Date

By: Robert Shepard
Chairman

STATE OF SOUTH DAKOTA

10/30/12
Date

By: Dennis Daugaard
Governor

DEPARTMENT OF THE INTERIOR

12/20/12
Date

By: Kevin K. Washburn
Kevin K. Washburn
Assistant Secretary of the Interior Indian Affairs

EXHIBIT A

Memorandum of Agreement

Between the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation and Codington County

For Fire, Law Enforcement, Ambulance, and Road Services

This Memorandum of Agreement ("MOA") is made and entered into this 1st day of January, 20__, by and between Codington County (the "County") and the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation (the "Tribe"). This MOA will begin upon its execution and renew on an annual basis as set forth in the 2012 Gaming Compact between the Tribe and South Dakota.

1. PURPOSE

To develop cooperative efforts between the Tribe and County where fire, law enforcement, and road services are provided for the property depicted on Exhibit A, which is incorporated by reference, located in Watertown, Codington County, South Dakota. The property includes, but is not limited to: the Dakota Sioux Casino and its hotel, various maintenance buildings, parking lot, a convenience store, and other future development.

2. GOAL

The County will assist the Tribe in providing the described services to the employees and patrons of the tribally-owned enterprises located on the property depicted on Exhibit A and subject to the limitations provided in this Memorandum of Agreement.

3. LA W ENFORCEMENT SERVICES

The County agrees to provide law enforcement services to the extent, and in the manner, as follows:

A. The County will respond to requests for law enforcement services requested by the Tribe in a timely matter. The County shall prepare an incident report for each call responded to by the County, which will be provided to the Tribe in a reasonable time.

B. The provision of services, the standards of performance, the discipline of the deputies, and other matters incident to the performance of such services, and the control of personnel so employed, shall remain in and under the control of the County.

C. It is agreed that the Sheriff shall have all reasonable and necessary cooperation and assistance from the Tribe, its officers, agents and employees, so as to facilitate the performance of this Agreement.

D. The Tribe, its officers, and employees shall not be liable for the compensation or indemnification of the Sheriff, or any of his employees, for injuries or sickness arising out of their actions under this MOA. The County hereby agrees to hold harmless the Tribe, its officers, and employees against such claims, whether to person or property.

E. The Tribe shall incur no liability for the intentional or negligent acts or omissions of the County, or its officers, agents, or employees in enforcing state laws, or from actions by County personnel against persons sentenced or ordered to the custody of the State of South Dakota or the County.

4. FIRE AND AMBULANCE SERVICES

The County will respond to requests for fire and ambulance services. An incident report, which complies with the "Health Insurance Portability and Accountability Act of 1996" (HIPPA), will be prepared by the County for each call and provided to the Tribe in a reasonable time. Further, the County will provide routine fire inspections, in a manner consistent with County policy, when requested by a party designated by the Tribe.

5. ROAD SERVICES

At least one-third of the maximum payment amount listed below shall be maintained and utilized by the County in a fund to be used for construction, repair, and maintenance, including snow removal, of county roads and highways within five (5) miles of Dakota Sioux Casino. The County has discretion over when and where to use the road funds, provided that the County shall meet annually with the Tribe to coordinate provisions of government services to the Tribe. The County agrees to provide road construction, repair, and maintenance, including snow removal, on: (1) County Road No. 13; (2) County Road No.6; (3) SD Highway 20; and (4) other state or county roads within 5 miles of Dakota Sioux Casino.

6. CONDITIONS

Nothing in this MOA (including the exhibit or any amendment) shall expand or limit the legislative, regulatory, or adjudicatory jurisdiction of either party or of the State of South Dakota. This MOA shall not be construed to and does not limit or otherwise affect either party's sovereign powers, including but not limited to either party's sovereign immunity.

7. PAYMENT AND TERM

In consideration for the government services provided in this MOA, the Tribe agrees to pay the County the following maximum amount of annual payments as follows:

- The MOA with the County shall not exceed $112,500.00 total in calendar year 2013.
- The MOA with the County shall not exceed $150,000.00 total in calendar year 2014, 2015 and 2016.
- The MOA with the County shall not exceed $225,000.00 total in calendar year 2017 and 2018.
- The MOA with the County shall not exceed $300,000.00 total in calendar year 2019, 2020 2021, and 2022.

The parties intend and agree that these amounts constitute an exact amount of compensation to the County for the receipt of the requested government services.

In the event that the Tribe and South Dakota are mistaken about the affects of the Tribe's expansion of gaming, for example, that the substantial increase in slot machines does not result in increased patronage and therefore the need for additional governmental services are not as great as envisioned, the parties agree that the total amount of the MOA should not increase if the gaming revenues at the Dakota Sioux Casino and the Dakota Connection Casino do not equal or exceed the total gaming revenues from those facilities from the prior fiscal year. In the event that gaming revenues at the Dakota Sioux Casino and the Dakota Connection Casino do not equal or exceed the total gaming revenues from those facilities from the prior fiscal year, the Tribe shall pay the same total amount to the County as it paid the preceding calendar year. For purposes of this section the phrase "gaming revenues" is defined as the net win from gaming activities which is the difference between gaming wins and losses, less gaming incentives. The term "fiscal year" is defined as the 12 month period beginning on October 1 of each year and ending on the following September 30.

8. MEETING AND REPORT

The County shall meet annually with the Tribe to coordinate provisions of government services to the Tribe. The County shall provide an annual written report to the Tribe describing the County's provision of the requested government services, which were provided during the previous year.

9. PERFORMANCE

The parties agree to provide written notice of any situation or circumstance which inhibits the purpose or effect of this agreement to the Tribal Chairman and the Chairman of the Codington County Commissioners. Upon receipt of the written notice, the other party shall have 30 days to cure the alleged breach.

Memorandum of Agreement

Between the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation and Roberts County

For Fire, Law Enforcement, Ambulance, and Road Services

This Memorandum of Agreement ("MOA") is made and entered into this 1st day of January, 20__, by and between Roberts County (the "County") and the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation (the "Tribe"). This MOA will begin upon its execution and renew on an annual basis as set forth in the 2012 Gaming Compact between the Tribe and South Dakota.

1. PURPOSE

To develop cooperative efforts between the Tribe and County where fire, law enforcement, and road services are provided for the property depicted on Exhibit A, which is incorporated by reference, located in Sisseton, Roberts County, South Dakota. The property includes, but is not limited to: the Dakota Connection Casino, various maintenance buildings, parking lot, a convenience store, and other future development.

2. GOAL

The County will assist the Tribe in providing the described services to the employees and patrons of the tribally-owned enterprises located on the property depicted on Exhibit A and subject to the limitations provided in this Memorandum of Agreement.

3. LA W ENFORCEMENT SERVICES

The County agrees to provide law enforcement services to the extent, and in the manner, as follows:

F. The County will respond to requests for law enforcement services requested by the Tribe in a timely matter. The County shall prepare an incident report for each call responded to by the County, which will be provided to the Tribe in a reasonable time.

G. The provision of services, the standards of performance, the discipline of the deputies, and other matters incident to the performance of such services, and the control of personnel so employed, shall remain in and under the control of the County.

H. It is agreed that the Sheriff shall have all reasonable and necessary cooperation and assistance from the Tribe, its officers, agents and employees, so as to facilitate the performance of this Agreement.

I. The Tribe, its officers, and employees shall not be liable for the compensation or indemnification of the Sheriff, or any of his employees, for injuries or sickness arising out of their actions under this MOA. The County hereby agrees to hold harmless the

Tribe, its officers, and employees against such claims, whether to person or property.

J. The Tribe shall incur no liability for the intentional or negligent acts or omissions of the County, or its officers, agents, or employees in enforcing state laws, or from actions by County personnel against persons sentenced or ordered to the custody of the State of South Dakota or the County.

4. FIRE AND AMBULANCE SERVICES

The County will respond to requests for fire and ambulance services. An incident report, which complies with the "Health Insurance Portability and Accountability Act of 1996" (HIPPA), will be prepared by the County for each call and provided to the Tribe in a reasonable time. Further, the County will provide routine fire inspections, in a manner consistent with County policy, when requested by a party designated by the Tribe.

5. ROAD SERVICES

At least one-third of the maximum payment amount listed below shall be maintained and utilized by the County in a fund to be used for construction, repair, and maintenance, including snow removal, of County roads and highways within five (5) miles of Dakota Connection Casino. The County has discretion over when and where to use the road funds, provided that the County shall meet annually with the Tribe to coordinate provisions of government services to the Tribe.

6. CONDITIONS

Nothing in this MOA (including the exhibit or any amendment) shall expand or limit the legislative, regulatory, or adjudicatory jurisdiction of either party or of the State of South Dakota. This MOA shall not be construed to and does not limit or otherwise affect either party's sovereign powers, including but not limited to either party's sovereign immunity.

7. PAYMENT AND TERM

In consideration for the government services provided in this MOA, the Tribe agrees to pay the County the following maximum amount of annual payments as follows:

- The MOA with the County shall not exceed $37,500.00 total in calendar year 2013.
- The MOA with the County shall not exceed $50,000.00 total in calendar year 2014, 2015 and 2016.
- The MOA with the County shall not exceed $75,000.00 total in calendar year 2017 and 2018.
- The MOA with the County shall not exceed $100,000.00 total in calendar year 2019, 2020 2021, and 2022.

The parties intend and agree that these amounts constitute an exact amount of compensation to the County for the receipt of the requested government services.

In the event that the Tribe and South Dakota are mistaken about the affects of the Tribe's expansion of gaming, for example, that the substantial increase in slot machines does not result

in increased patronage and therefore the need for additional governmental services are not as great as envisioned, the parties agree that the total amount of the MOA should not increase if the gaming revenues at the Dakota Sioux Casino and the Dakota Connection Casino do not equal or exceed the total gaming revenues from those facilities from the prior fiscal year. In the event that gaming revenues at the Dakota Sioux Casino and the Dakota Connection Casino do not equal or exceed the total gaming revenues from those facilities from the prior fiscal year, the Tribe shall pay the same total amount to the County as it paid the preceding calendar year. For purposes of this section the phrase "gaming revenues" is defined as the net win from gaming activities which is the difference between gaming wins and losses, less gaming incentives. The term "fiscal year" is defined as the 12 month period beginning on October 1 of each year and ending on the following September 30.

8. MEETING AND REPORT

The County shall meet annually with the Tribe to coordinate provisions of government services to the Tribe. The County shall provide an annual written report to the Tribe describing the County's provision of the requested government services, which were provided during the previous year.

9. PERFORMANCE

The parties agree to provide written notice of any situation or circumstance which inhibits the purpose or effect of this agreement to the Tribal Chairman and the Chairman of the Roberts County Commissioners. Upon receipt of the written notice, the other party shall have 30 days to cure the alleged breach.